



6712-01

FEDERAL COMMUNICATIONS COMMISSION

[DA 11-1912]

Notice of Suspension and Initiation of Debarment Proceedings

AGENCY: Federal Communications Commission.

ACTION: Notice.

SUMMARY: In this document, the Commission gives notice of Dr. Dennis L. Bruno's suspension from the schools and libraries universal service support mechanism (or "E-Rate Program"). Additionally, the Bureau gives notice that debarment proceedings are commencing against him. Dr. Bruno, or any person who has an existing contract with or intends to contract with him to provide or receive services in matters arising out of activities associated with or related to the schools and libraries support, may respond by filing an opposition request, supported by documentation.

DATES: Opposition requests must be received by **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**. However, an opposition request by the party to be suspended must be received 30 days from the receipt of the suspension letter or **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**, whichever comes first. The Bureau will decide any opposition request for reversal or modification of suspension or debarment within 90 days of its receipt of such requests.

ADDRESS: Federal Communications Commission, Enforcement Bureau, Investigations and Hearings Division, Room 4-A236, 445 12th Street, SW., Washington, DC 20554.

However, an opposition request by the party to be suspended must be received 30 days from the receipt of the suspension letter or **[INSERT DATE 30 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**, whichever comes first. The Bureau will decide any opposition request for reversal or modification of suspension or debarment within 90 days of its receipt of such requests.

FOR FURTHER INFORMATION CONTACT: Joy Ragsdale, Federal Communications Commission, Enforcement Bureau, Investigations and Hearings Division, Room 4-C330, 445 12th Street, SW., Washington, DC 20554. Joy Ragsdale may be contacted by phone at (202) 418-1697 or e-mail at Joy.Ragsdale@fcc.gov. If Ms. Ragsdale is unavailable, you may contact Ms. Terry Cavanaugh, Acting Chief, Investigations and Hearings Division, by telephone at (202) 418-1420 and by e-mail at Theresa.Cavanaugh@fcc.gov.

SUPPLEMENTARY INFORMATION: The Bureau has suspension and debarment authority pursuant to 47 CFR 54.8. Suspension will help to ensure that the party to be suspended cannot continue to benefit from the schools and libraries mechanism pending resolution of the debarment process. Attached is the suspension letter, DA 11-1912, which was mailed to Dr. Bruno and released on November 18, 2011. The complete text of the notice of suspension and initiation of debarment proceedings is available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portal II, 445 12th Street, SW., Room CY-A257, Washington, DC 20554, In addition, the complete text is available on the FCC's Web site at <http://www.fcc.gov>. The text may also be purchased from the Commission's duplicating inspection and copying during regular business hours at the contractor, Best Copy and Printing, Inc., Portal II, 445 12th Street, SW., Room CY-B420, Washington, DC 20554, telephone (202) 488-5300 or (800) 378-3160, facsimile (202) 488-5563, or via e-mail <http://www.bcpweb.com>.

FEDERAL COMMUNICATIONS COMMISSION

Theresa Z. Cavanaugh,
Acting Chief, Investigations and Hearings Division, Enforcement Bureau.

The suspension letter follows:

November 18, 2011

DA 11-1912

SENT VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED
AND EMAIL

Dr. Dennis L. Bruno
c/o Mr. Arthur T. McQuillan
McQuillan Law Offices
206 Main Street
Johnstown, PA 15901

Re: Notice of Suspension and Initiation of Debarment Proceedings
FCC File No. EB-11-IH-1582

Dear Dr. Bruno:

The Federal Communications Commission (“Commission”) has received notice of your conviction of misappropriating federal education funds in violation of 18 U.S.C § 666(a)(1)(A), as well as your admission to committing an offense related to the federal schools and libraries universal service support mechanism (“E-Rate program”).¹ Consequently, pursuant to 47 C.F.R. § 54.8, this letter constitutes official notice of your suspension from the E-Rate program. In

¹ Any further reference in this letter to “your conviction” refers to your conviction in *United States v. Dennis L. Bruno*, Criminal Docket No. 11-15 J, Information (W.D. Pa. 2011).

addition, the Enforcement Bureau (“Bureau”) hereby notifies you that the Bureau will commence debarment proceedings against you.²

I. Notice of Suspension

The Commission established procedures to prevent persons who have “defrauded the government or engaged in similar acts through activities associated with or related to the schools and libraries support mechanism” from receiving the benefits associated with that program.³ On May 9, 2011, you pled guilty to intentionally misappropriating \$49,600 from the Department of Education’s Fund for the Improvement of Education program from October 2005 to July 2006 in your capacity as Superintendent of the Glendale School District.⁴ In connection with your guilty plea, you admitted and stipulated in a plea agreement that you were involved in a conspiracy to commit an offense against the United States related to the E-Rate program.⁵ Specifically, you

² 47 C.F.R. § 54.8; 47 C.F.R. § 0.111 (delegating to the Enforcement Bureau authority to resolve universal service suspension and debarment proceedings). The Commission adopted debarment rules for the schools and libraries universal service support mechanism in 2003. *See Schools and Libraries Universal Service Support Mechanism*, Second Report and Order and Further Notice of Proposed Rulemaking, 18 FCC Rcd 9202 (2003) (“*Second Report and Order*”) (adopting section 54.521 to suspend and debar parties from the E-rate program). In 2007 the Commission extended the debarment rules to apply to all Federal universal service support mechanisms. *Comprehensive Review of the Universal Service Fund Management, Administration, and Oversight; Federal-State Joint Board on Universal Service; Schools and Libraries Universal Service Support Mechanism; Rural Health Care Support Mechanism; Lifeline and Link Up; Changes to the Board of Directors for the National Exchange Carrier Association, Inc.*, Report and Order, 22 FCC Rcd 16372 App. C at 16410-12 (2007) (*Program Management Order*) (section 54.521 of the universal service debarment rules was renumbered as section 54.8 and subsections (a)(1), (5), (c), (d), (e)(2)(i), (3), (e)(4), and (g) were amended.)

³ *Second Report and Order*, 18 FCC Rcd at 9225, ¶ 66; *Program Management Order*, 22 FCC Rcd at 16387, ¶ 32. The Commission’s debarment rules define a “person” as “[a]ny individual, group of individuals, corporation, partnership, association, unit of government or legal entity, however organized.” 47 C.F.R. § 54.8(a)(6).

⁴ *United States v. Dennis L. Bruno*, Criminal Docket No. 11-15 J, Arraignment Plea. *See also* UNITED STATES ATTORNEY’S OFFICE, WESTERN DISTRICT OF PENNSYLVANIA, News, Former Superintendent Pleads Guilty to Federal Program Theft, May 9, 2011, *at* http://www.justice.gov/usao/paw/news/2011/2011_may/2011_05_09_05.html (“*Press Release*”).

⁵ Press Release at 1.

conspired with others to obtain \$414,421.92 from the E-Rate program.⁶ Your stipulation to conspiring to commit an offense related to the E-Rate program constitutes the conduct or transaction upon which this suspension notice and debarment proceeding are based.⁷

Pursuant to section 54.8(b) of the Commission's rules,⁸ the Bureau is required to suspend you from participating in any activities associated with or related to the schools and libraries support mechanism, including the receipt of funds or discounted services through the schools and libraries support mechanism, or consulting with, assisting, or advising applicants or service providers regarding the schools and libraries support mechanism.⁹ Your suspension becomes effective upon either the date of your receipt of this notice or of its publication in the Federal Register, whichever date occurs first.¹⁰

In accordance with the Commission's debarment rules, you may contest this suspension or the scope of this suspension by filing arguments, with any relevant documents, within 30 calendar days after receipt of this letter or after a notice is published in the Federal Register, whichever comes first.¹¹ Such requests, however, will not ordinarily be granted.¹² The Bureau may reverse or limit the scope of suspension only upon a finding of extraordinary circumstances.¹³ Absent extraordinary circumstances, the Bureau will decide any request to reverse or modify a suspension within 90 calendar days of its receipt of such request.¹⁴

⁶ *Id.*

⁷ *Second Report and Order*, 18 FCC Rcd at 9226, ¶ 70; 47 C.F.R. § 54.8(e)(2)(i).

⁸ 47 C.F.R. § 54.8(a)(4). *See Second Report and Order*, 18 FCC Rcd at 9225-9227, ¶¶ 67-74.

⁹ 47 C.F.R. §§ 54.8(a)(1), (d).

¹⁰ *Second Report and Order*, 18 FCC Rcd at 9226, ¶ 69; 47 C.F.R. § 54.8(e)(1).

¹¹ 47 C.F.R. § 54.8(e)(4).

¹² *Id.*

¹³ 47 C.F.R. § 54.8(f).

¹⁴ *Second Report and Order*, 18 FCC Rcd at 9226, ¶ 70; 47 C.F.R. §§ 54.8(e)(5), (f).

II. Initiation of Debarment Proceedings

As discussed above, your guilty plea and stipulation to participating in a conspiracy in connection with the E-Rate program serves as a basis for immediate suspension from the program, as well as a basis to commence debarment proceedings against you. Your stipulation to conspiracy is cause for debarment as defined in section 54.8(c) of the Commission's rules.¹⁵ Therefore, pursuant to section 54.8(b) of the rules, the Bureau is required to commence debarment proceedings against you.¹⁶

As with the suspension process, you may contest the proposed debarment or the scope of the proposed debarment by filing arguments and any relevant documentation within 30 calendar days of receipt of this letter or publication in the Federal Register, whichever comes first.¹⁷ The Bureau, in the absence of extraordinary circumstances, will notify you of its decision to debar within 90 calendar days of receiving any information you may have filed.¹⁸ If the Bureau decides to debar you, its decision will become effective upon either your receipt of a debarment notice or publication of the decision in the Federal Register, whichever comes first.¹⁹

¹⁵ "Causes for suspension and debarment are conviction of or civil judgment for attempt or commission of criminal fraud, theft, embezzlement, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, obstruction of justice and other fraud or criminal offense arising out of activities associated with or related to the schools and libraries support mechanism, the high-cost support mechanism, the rural healthcare support mechanism, and the low-income support mechanism." 47 C.F.R. § 54.8(c). Associated activities "include the receipt of funds or discounted services through [the Federal universal service] support mechanisms, or consulting with, assisting, or advising applicants or service providers regarding [the Federal universal service] support mechanisms." 47 C.F.R. § 54.8(a)(1).

¹⁶ 47 C.F.R. § 54.8(b).

¹⁷ *Second Report and Order*, 18 FCC Rcd at 9226, ¶ 70; 47 C.F.R. § 54.8(e)(3).

¹⁸ *Id.*, 18 FCC Rcd at 9226, ¶ 70; 47 C.F.R. § 54.8(e)(5).

¹⁹ *Id.* The Commission may reverse a debarment, or may limit the scope or period of debarment upon a finding of extraordinary circumstances, following the filing of a petition by you or an interested party or upon motion by the Commission. 47 C.F.R. § 54.8(f).

If and when your debarment becomes effective, you will be prohibited from participating in activities associated with or related to the schools and libraries support mechanism for three years from the date of debarment.²⁰ The Bureau may set a longer debarment period or extend an existing debarment period if necessary to protect the public interest.²¹

Please direct any response, if sent by messenger or hand delivery, to Marlene H. Dortch, Secretary, Federal Communications Commission, 445 12th Street, S.W., Room TW-A325, Washington, D.C. 20554, to the attention of Joy M. Ragsdale, Attorney Advisor, Investigations and Hearings Division, Enforcement Bureau, Room 4-A236, with a copy to Theresa Z. Cavanaugh, Acting Division Chief, Investigations and Hearings Division, Enforcement Bureau, Room 4-C322, Federal Communications Commission. All messenger or hand delivery filings must be submitted without envelopes.²² If sent by commercial overnight mail (other than U.S. Postal Service (USPS) Express Mail and Priority Mail), the response must be sent to the Federal Communications Commission, 9300 East Hampton Drive, Capitol Heights, Maryland 20743. If sent by USPS First Class, Express Mail, or Priority Mail, the response should be addressed to Joy Ragsdale, Attorney Advisor, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, S.W., Room 4-A236, Washington, D.C. 20554, with a copy to Theresa Z. Cavanaugh, Acting Division Chief, Investigations and Hearings Division, Enforcement Bureau, Federal Communications Commission, 445 12th Street, S.W., Room 4-C322, Washington, D.C. 20554. You shall also transmit a copy of your response via e-mail to Joy M. Ragsdale, joy.ragsdale@fcc.gov and to Theresa Z. Cavanaugh, Terry.Cavanaugh@fcc.gov.

²⁰ *Second Report and Order*, 18 FCC Rcd at 9225, ¶ 67; 47 C.F.R. §§ 54.8(d), (g).

²¹ *Id.*

²² See FCC *Public Notice*, DA 09-2529 for further filing instructions (rel. Dec. 3, 2009).

If you have any questions, please contact Ms. Ragsdale via U.S. postal mail, e-mail, or by telephone at (202) 418-1697. You may contact me at (202) 418-1553 or at the email address noted above if Ms. Ragsdale is unavailable.

Sincerely yours,

Theresa Z. Cavanaugh
Acting Chief
Investigations and Hearings Division
Enforcement Bureau

cc: Johnnay Schrieber, Universal Service Administrative Company (via e-mail)
Rashann Duvall, Universal Service Administrative Company (via email)
Stephanie L. Haines, United States Attorney's Office, Western Pennsylvania (via email)